

April 25, 2018

State of Delaware
Division of Air Quality
100 W. Water Street, Suite 6A
Dover DE 19904

## **SUBJECT: Cummins Comments on Delaware Volkswagen Mitigation Plan**

On behalf of Cummins, I am privileged to provide comments on the Volkswagen Mitigation Plan to the Delaware Division of Air Quality. We appreciate the opportunity to provide the DNREC with our suggestions on the most cost-effective methods to reduce NOx emissions in Delaware through the \$41 million provided by the Environmental Mitigation Trust.

Cummins is a global power leader that designs, manufacturers, sells and services diesel, natural gas and electric powertrains, power generation systems and related products and technologies. We serve our customers through our network of 600 company-owned and independent distributor facilities and more than 7,200 dealer locations in over 190 countries and territories. We clearly understand the importance of reducing emissions that can potentially harm Delaware's environment and citizens. Cummins has been working successfully for decades to reduce the environmental impact of our products. Our mission is to responsibly deliver power solutions for our customers while ensuring that everything we do leads to a cleaner, healthier and safer environment. This core value woven into the fabric of our company. We look forward to continuing to work with DNREC and our customers to help Indiana mitigate the most NOx emissions with the funds available.

Please find below our comments and recommendations on Delaware's draft plan:

Phase 1 – School Bus Replacement – Cummins recommends that all NOx reduction options be considered vs a mandate of propane as the fuel source. Today's clean diesel and natural gas engines also provide a significant reduction in NOx levels. When considering the other EPA-regulated emissions like particulate matter, carbon monoxide and non-methane hydrocarbon, propane is not the clear winner in all of the four critical emissions categories. A recent article in School Bus Fleet Magazine highlighted these differences.

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- Three Phase Approach Cummins supports Delaware's plans to break the funding into a
  multi-year plan. This allows for newer technologies to be considering in the next coming
  years especially in the electric vehicle market.
- Process to Allocate Funds Cummins recommends the competitive RFP process be used in all phases of the projects – this allows for all customers to have an equal opportunity to request funding. This is typical of other state's mitigation plans.
- DERA Plans/Allocation Cummins recommends utilizing the DERA framework for allocations and cost sharing. DERA is a well established program.
- Grant Process Cummins recommends keeping the grant application as simple and quick
  as possible. Some states are considering a rebate program to help expedite the funding
  to customers.

Again we appreciate the complexity of the task put in front of the DNREC. Thank you for allowing us to provide comments about the plan.

Sincerely,

Carl E Jones III
Account Executive
Cummins Sales and Service

